GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:2964
ANSWERED ON:13.12.2006
GAP IN INCOME
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Will the Minister of PLANNING be pleased to state:

(a) whether the Union Government is aware of the fact that income gap in farming and non- farming sectors is widening;

(b) if so, the reasons therefor; and

(c) the corrective measures taken/proposed to be taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a) & (b): The gap in the growth of Gross Domestic Product (GDP) in the overall economy and the Agriculture and Allied sectors has widened due to faster growth of other sectors of the economy and slowing down of the growth rate in the agriculture sector. As per the estimates of the Central Statistical Organization, the average annual growth rate of GDP (at 1999-00 prices) in the first four years (2002-03 to 2005-06) of the Tenth Five Year Plan (2002-07) was1.9% in the case of Agriculture and Allied Sectors as compared to the 7.1% for the overall economy.

(c): The major steps being taken to make agriculture more remunerative include, inter- alia, the following:-

diversification of agriculture to high value crops,
emphasis on livestock, fisheries etc.,
increasing agricultural productivity through intensive research efforts,
water resources development to increase cropping intensity,
focus on watershed development in rainfed areas,
improving delivery of agricultural inputs,
provision of minimum support price mechanism,
marketing reforms and improving marketing and other post-harvest infrastructure,
expansion of the outreach of agricultural credit; and
augmenting technology dissemination programmes